

## Michele Cerullo

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**From:** BC Antitrust  
**Sent:** Wednesday, February 26, 2003 5:35 PM  
**To:** Michele Cerullo; Patricia Jones  
**Subject:** Fwd: FTC File No. 021-0040, Docket No. C-4058



Header (1 KB)

-----Original Message-----

Date: 02/19/2003 04:00 pm (Wednesday)  
From: "Matt C Graham" <Matt.Graham@conocophillips.com>  
To: FTC.SERIUS("antitrust@ftc.gov")  
Subject: FTC File No. 021-0040, Docket No. C-4058

Re: ConocoPhillips sale of the Woods Cross, Utah, Assets

Please accept these comments made during the public comment period. I am an employee of ConocoPhillips at the Woods Cross Refinery. Within the last few days the employees have had the opportunity to begin reviewing the new benefits package being offered by the buyer. After reviewing the retirement treatment by both companies, it is painfully clear that I will suffer a major loss in retirement benefits as a result of the sale.

My plan has been to retire at age 55 which is a realistic goal for my situation. Under the existing ConocoPhillips plan, at age 55, I would be eligible for a monthly payment of \$2,446. Under the new owner, when you combine the ConocoPhillips and Holly Corp. retirement benefits together, at age 55 I would only get \$1,512 per month, or a loss of \$934 per month. Based on estimated life expectancy this could result in a lifetime loss of over \$250,000. I also considered the lump sum option at age 55 and I would stand to lose almost \$200,000 as a result of the sale as planned. I spoke to a representative of the Trustee (R. Shermer & Company) and they advised that their hired benefits expert had reviewed the plan and determined it was an equivalent plan. On the surface this is hard to dispute since Holly has agreed to "mirror" the ConocoPhillips retirement plan. However, as you can see from my situation, the reality is far different because the two plans are administered separately, not seamlessly.

This short coming in the retirement benefits not only effects me, but anyone currently under age 50, which is 70% of the work force. Of these 70%, the deficit varies depending on the persons current age and how long they stay with the new buyer, but will have the biggest negative effect on the group of older workers in the 40 to 49 age group who continue with the new owners but eventually elect early retirement. (The age 50 and above group is treated differently and are not effected.)

Several members of ConocoPhillips management have stated during the sale process that one of the objectives of the negotiations with the new owners was to reach a fair deal where the effect on the employees was seamless and would "make them whole." A representative of the Trustee also spoke on the matter and supported the fact that the FTC wanted it to be fair and equitable for employees who transitioned to the new buyer. A top management official from the new buyer also stated that we would be "made whole." Despite best intentions, this has not happened for me and a large group of other employees.

I would like to see the FTC force the two companies to look at the severe inequity's of the actual combined retirement treatment for the employees

age 49 and under and make them reach an equitable plan that does not severely penalize a significant group of employees.

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